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Litigation + Business

December 17, 2018

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd Chief Clerk / Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, SC 29210

Re: Duke Energy Carolinas, LLC – Docket No. 2015-55-E Duke Energy Progress, LLC – Docket No. 2015-53-E

Proposed Shared Solar Rider Revisions

Dear Ms. Boyd:

Duke Energy Progress, LLC ("DEP") and Duke Energy Carolinas, LLC (together, the "Companies") propose to amend their Shared Solar Riders so that they more closely align with the original intent of the programs.

As explained in testimony supporting the Companies' applications to establish Distributed Energy Resource Programs, "[t]he Shared Solar program was designed so that participants realize bill savings relative to what their bills would have been if they did not subscribe to the program." The program was further designed and intended to include "customers who do not have the capital or credit score to afford to purchase or lease a solar array." In 2016, the Companies proposed, and the Commission approved, revisions to the Shared Solar Riders in order to encourage participation by low-income customers by providing for a waiver of the Application Fee and Initial Subscription Charge for certain eligible households.³

¹ Jose Merino Test. at 16, Docket No. 2015-53-E (filed Mar. 17, 2015); Jose Merino Test. at 16, Docket No. 2015-55-E (filed Mar. 17, 2015).

² Jose Merino Test. at 16, Docket No. 2015-53-E (filed Mar. 17, 2015); Jose Merino Test. at 16, Docket No. 2015-55-E (filed Mar. 17, 2015).

³ See Duke Energy Progress, LLC's Request for Approval of Revisions to its Shared Solar Rider, Docket 2015-53-E (filed Sept. 16, 2016); Order No. 2016-722, Docket No. 2015-53-E (Oct. 12, 2016); Duke Energy Carolinas, LLC's Request for Approval of Revisions to its Shared Solar Rider, Docket No. 2015-55-E (filed Sept. 16, 2016); Order No. 723, Docket No. 2015-55-E (Oct. 12, 2016).



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Due to damage caused by Hurricane Florence in September 2018, a DEP Shared Solar facility was offline for two weeks. Because the facility was offline for an extended period, two DEP customers, one of which is a low-income customer, owed DEP under the Shared Solar Rider rather than the customers receiving bill savings.⁴ The Companies believe that such a result for low-income customers is inconsistent both with the original intent of the program and the goal of encouraging the participation of low-income customers.

For these reasons, the Companies propose to "zero-out" the Monthly Subscription Charge under the Riders for low-income customers in months where, due to a named tropical storm or hurricane, that charge would be greater than the Energy Credit Value calculated under the Riders. The Companies believe that this will hold low-income customers harmless as related to their participation in the Shared Solar programs, thereby resulting in a more equitable outcome. Any costs resulting from the proposed arrangement will be borne by the Companies rather than socialized to ratepayers.

Consistent with the foregoing, the Companies respectfully propose to amend their respective Shared Solar Riders; the proposed revised tariffs are attached hereto. Please feel free to contact me should you have any questions or concerns.

Kind regards,

Sam Wellborn

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Enclosures

cc w/enc: Parties of Record (via email)

Heather Shirley Smith, Deputy General Counsel (via email)

Rebecca J. Dulin, Senior Counsel (via email)

⁴ DEP credited the low-income customer in this instance for what would have been a charge of \$1.22. As discussed below, this amount will be borne by DEP.